

PUBLIC DISCLOSURE

AUGUST 2, 2010

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BRIDGEWATER CREDIT UNION

CERT # 67984

**75 MAIN STREET
BRIDGEWATER, MA 02324**

**DIVISION OF BANKS
1000 WASHINGTON STREET
BOSTON, MA 02118**

NOTE:	This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.
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GENERAL INFORMATION

The Community Reinvestment Act ("CRA") requires the Massachusetts Division of Banks ("Division") to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its assessment area.

This document is an evaluation of the CRA performance of **Bridgewater Credit Union (or the "Credit Union")**, prepared by the Division, the institution's supervisory agency.

INSTITUTION'S CRA RATING: This institution is rated "Satisfactory"

Based on the Intermediate Small Institution CRA evaluation procedures specified for institutions with assets of at least \$274 million as of December 31 or both of the prior two calendar years, and less than \$1.098 billion as of December 31 of either of the prior two calendar years (adjusted annually), Bridgewater Credit Union's overall CRA performance is considered Satisfactory. The rating of this institution is established upon a review of the Lending Test and the Community Development Test, as shown below in the public evaluation. The Credit Union achieved Satisfactory performance under each of these tests. A summary of the Credit Union's performance is provided below.

Lending Test

The Credit Union's net loan-to-share ratio for the previous eight quarters was 102.4 percent; this ratio is more than reasonable, given the Credit Union's size, financial condition, and the credit needs of its assessment area.

The majority of the Credit Union's residential loans were originated inside the assessment area.

The Credit Union demonstrates a good level of lending to members of different income levels.

The geographic distribution of the Credit Union's loans reportable under the Home Mortgage Disclosure Act ("HMDA") reflects a poor dispersion throughout the assessment area.

Fair lending policies and practices are considered reasonable. No weight was given to complaints, as none have been received by the Credit Union since the prior examination.

Community Development Test

The Credit Union's community development performance demonstrates an adequate responsiveness to the community development needs of its assessment area through its qualified donations and community development services.

PERFORMANCE CONTEXT

Description of Institution

Bridgewater Credit Union opened in 1941 and is a state-chartered financial institution. The Credit Union was organized for the promotion of thrift among its members by the accumulation of their savings and the loaning of such accumulations to its members for provident purposes. According to the Credit Union's bylaws: "Membership in the Credit Union is limited to those persons living, working or having business within Barnstable, Bristol, Norfolk or Plymouth Counties, or organizations within a fifty (50) mile radius of the offices, for purposes of payroll deduction." As of March 31, 2010, the Credit Union had 27,050 members.

The Credit Union's corporate office is located at 75 Main Street, Bridgewater, Massachusetts. In addition to the main office, the Credit Union also operates four full-service branches located in Dover, Fairhaven, Plymouth and Quincy. With the exception of the Dover branch, located in an upper-income census tract, all of the branches are located in middle-income census tracts. The Credit Union also operates a call center located inside the Bridgewater office. Except for the Dover office, all locations have drive up window service. Automated Teller Machines (ATMs) are available at all locations and the Credit Union is a member of SUM, which means that members can use any SUM Program ATM surcharge free. All of the Credit Union's ATMs accept CO-OP Networks, NYCE, Cirrus, Plus, MasterCard and VISA transactions. The Credit Union's branch hours are considered reasonable and convenient to its membership. Normal business hours are Monday through Friday 9:00 a.m. to 4:00 p.m. with additional limited hours available on Saturdays and extended hours on Thursday and Friday evenings.

The Credit Union was last examined for compliance with the CRA on August 19, 2008. The examination resulted in a CRA rating of Satisfactory. The Credit Union's assets have increased from \$293 million to \$296 million since the previous examination.

As of March 31, 2010, the Credit Union's asset size was \$295,921,525 with total loans of \$208,212,140 or 70.4 percent of total assets. The Credit Union's net loan-to-share ratio, as of the same date, was 90.0 percent. First lien mortgage real-estate loans and lines of credit represent the largest portion of loans with 64.8 percent followed by other real estate loans/lines of credit with 11.0 percent, total all other loans/lines of credit with 8.0 percent, new vehicle loans with 6.6 percent, used vehicle loans with 5.7 percent, unsecured credit card loans with 2.1 percent and all other unsecured loans/lines of credit with 1.8 percent.

The following table provides additional details regarding the Credit Union's loan portfolio:

Table 1 - Bridgewater Credit Union Loan Portfolio Distribution		
Loan Type	Dollar Volume	% of Total Loans
Unsecured Credit Card Loans	4,325,561	2.1
All Other Unsecured Loans/Lines of Credit	3,735,405	1.8
New Vehicle Loans	13,863,815	6.6
Used Vehicle Loans	11,912,824	5.7
Total 1 st Mortgage Real Estate Loans/Lines of Credit	134,925,610	64.8
Total Other Real Estate Loans/Lines of Credit	22,846,633	11.0
Total All Other Loans/Lines of Credit	16,602,292	8.0
Total	208,212,140	100.0
<i>Source: Statement of Financial Condition as of March 31, 2010</i>		

Bridgewater Credit Union is a full-service financial institution that offers a wide variety of products and services. Savings and checking accounts offered by the Credit Union include share accounts, club accounts, certificate of deposit, money market accounts, IRAs, free checking, interest checking, NOW checking account, ATM/check card and overdraft protection. Home financing programs include adjustable and fixed rate options for the purchase, refinance, or home improvement loans, construction loans, home equity lines of credit and a first time homebuyers program. Consumer loans include: new and used automobile, VISA credit card, personal loans, and manufactured home loans. The Credit Union also offers student loans. Other services offered by the Credit Union include online banking, e-statements and e-checks, 24 hour telephone banking, mobile banking and text message banking.

The Credit Union offers a variety of business banking services such as: checking accounts, savings accounts, lines of credit, term loans, small business administration (SBA) loans, commercial real estate loans, business platinum visa credit card, free online banking and bill payment, night depositories, money and wire transfer services and eStatements.

The Credit Union maintains a website at www.bridgewatercu.com. The website provides information about branch locations and hours, products and services, on-line services, and other financial services available to customers.

Description of Assessment Area

The CRA requires financial institutions to define an assessment area within which its CRA performance will be evaluated. The Office of Management and Budget establishes Metropolitan Statistical Areas (MSAs) for statistical reporting purposes by federal agencies. The Credit Union's assessment area contains two MSAs which consist of 22 cities and towns located in Bristol, Norfolk and Plymouth Counties:

- *Providence-New Bedford-Fall River, RI-MA MSA:* Fairhaven, New Bedford, Raynham and Taunton all located in Bristol County
- *Boston/Quincy, MA MSA:* Canton, Dover, Milton, Quincy, Westwood and Weymouth all located in Norfolk County. Located in Plymouth County are Abington, Bridgewater, Brockton, Carver, East Bridgewater, Halifax, Mattapoisett, Middleborough, Plymouth, Rochester, West Bridgewater and Whitman

Refer to Table 2 for pertinent demographic information concerning the assessment area.

Table 2 - Assessment Area (AA) Demographic Information						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	140	9.3	22.1	55.7	12.1	0.8
Population by Geography	654,905	5.2	18.6	62.0	13.9	0.3
Owner-Occupied Housing by Geography	158,228	2.0	12.8	67.9	17.3	0.0
Family Distribution by Income Level	166,677	21.6	18.7	23.7	36.0	0.0
Distribution of Low and Moderate Income Families throughout AA Geographies	67,157	9.0	26.7	56.8	7.5	0.0
Median Family Income		\$60,009	Median Housing Value			\$180,956
HUD Adjusted Median Family Income (2010) Bristol Norfolk and Plymouth Counties		\$72,100 \$85,200	Unemployment Rate (2000 Census)			4.8%
Households Below Poverty Level		10.0%	Families Below Poverty			7.1%

Source: 2000 US Census, 2010 HUD adjusted Median Family Income

The assessment area contains 140 census tracts. Of those tracts, 13 or 9.3 percent are low-income, 31 or 22.1 percent are moderate-income, 78 or 55.7 percent are middle-income, 17 or 12.1 percent are upper-income and 1 or 0.8 percent is N/A. The low-income census tracts are located in Brockton, New Bedford and Quincy. The moderate-income census tracts are located in Brockton, New Bedford, Plymouth, Quincy, Taunton and Weymouth. The N/A census tract is a state correctional facility located in Bridgewater.

The assessment area has a total population of 654,905 residing in 166,677 family households. Of all family households in the area, 21.6 percent are low-income, 18.7 percent are moderate-income, 23.7 percent are middle-income, 36.0 percent are upper-income and 7.1 percent are families below the poverty level. Of the 250,524 households, 64,513 or 25.8 percent are low-income and 42,398 or 16.9 percent are moderate-income and 24,924 or 10.0 percent are households that are below the poverty level.

The assessment area consists of 263,170 total housing units, of which 158,228 or 60.1 percent are owner-occupied, 92,080 or 35.0 percent are rental units and 12,862 or 4.9 percent are vacant units. Of the 158,228 owner-occupied housing units, 3,222 or 2.0 percent are in the low-income census tracts while 20,250 or 12.8 percent are in moderate-income census tracts. The median housing value in 2000 for the assessment area was \$180,956 and the median age of the housing stock was 40 years. Like much of New England, the area's housing prices, until recently, saw dramatic increases in value since 2000. The average median sales price for housing has dropped significantly over the past few years. Examples of the median sales price for homes in 2009 in the assessment area follows: \$158,000 in Brockton; \$190,000 in Fairhaven; \$227,500 in Taunton; \$278,600 in Bridgewater; \$309,950 in Quincy; \$343,056 in Mattapoisett; \$408,500 in Canton; \$435,000 in Milton; \$536,500 in Westwood; and \$834,250 in Dover. Despite this recent price decline, home prices are still considered high and largely out-of-reach for many low- and moderate-income borrowers.

The unemployment rate statewide for Massachusetts is 8.8 percent according to June 2010 statistics gathered from the Bureau of Labor Statistics. This represents an increase as compared to the annual percentage of 2008 and 2009, where the unemployment rate in Massachusetts was 5.3 percent and 8.4 percent, respectively. As of June 2010, the unemployment statistics for some of the cities and towns in the assessment area per the Massachusetts Labor and Workforce Development ranged from a high of 14.4 percent in New Bedford, to 5.7 percent in Dover.

The Credit Union faces strong competition from other financial institutions that originated loans within the assessment area. These institutions range in size from small banks and mortgage companies with single office locations to the largest banks in New England. Among the more prominent lenders competing with the Credit Union are Bridgewater Savings Bank, Mechanics Bank, HarborOne Credit Union and Crescent Credit Union. The 2008 peer market share data shows that 419 lenders originated 21,924 residential mortgage loans in the Credit Union's assessment area. Bridgewater Credit Union ranked 33rd with a 0.72 percent market share. The top three lenders in the assessment area were of Countrywide Bank with 9.1 percent, JP Morgan Chase Bank with 7.7 percent, and Citimortgage, Inc. with 4.3 percent.

Community Contact

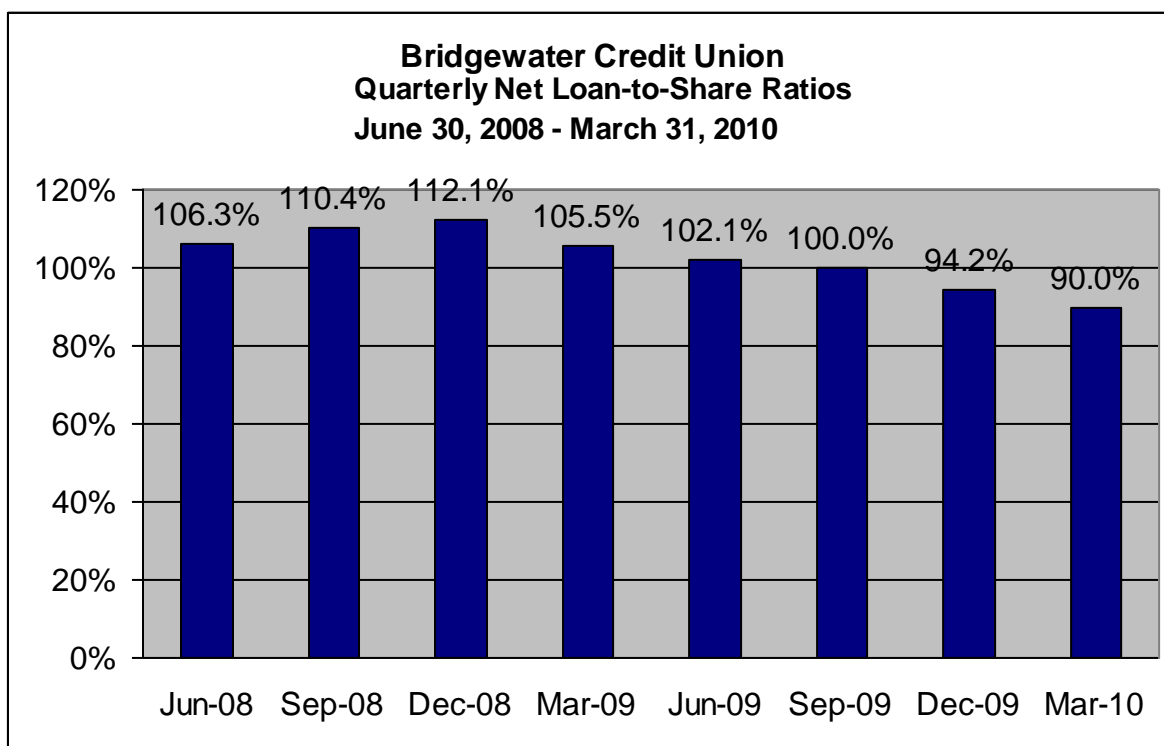
A community contact was conducted with a local community development organization whose mission is to provide economic development and revitalization to the town of Bridgewater. The contact was pleased with the responsiveness of the local community financial institutions to the area's credit needs, but did note they would like to see more small business loans extended to the community.

PERFORMANCE CRITERIA

LENDING TEST

Loan-To-Share Analysis

A comparative analysis of Bridgewater Credit Union's quarterly net loan-to-share (LTS) ratios for the period of June 30, 2008 through March 31, 2010, was conducted during this examination. Using the Credit Union's eight (8) quarterly Statement of Financial Condition Reports, the average net LTS ratio for this period was 102.4 percent. This ratio is based on loans net of unearned income and net of the allowance for loan and lease losses as a percentage of total shares. The following graph is provided for further analysis.



As shown in the graph above, the Credit Union's net LTS ratio has fluctuated from a high of 112.1 percent in December 2008 to a low of 90.0 percent in March 2010. Net loans have decreased 14.4 percent and shares have increased 1.0 percent during this time period. The Credit Union's LTS ratio has decreased as a result of the sharp decline in loan balances primarily due to the historically low interest rate environment causing a large refinance market.

For comparison purposes, the Credit Union's average LTS ratio was compared against the average LTS ratios of three similarly situated institutions (similar asset size and loan portfolio composition). Refer to Table 3 for the peer group LTS ratio comparison.

Table 3 - Peer Group LTS Comparison		
Credit Union Name	Total Assets as of 3/31/10	Average Net LTS Ratio 6/30/08 - 3/31/10
Fall River Municipal Employees	235,995,106	74.3
Bridgewater Credit Union	295,921,525	102.4
Harvard University Employees	332,864,547	84.1
Crescent	375,118,154	103.5

Source: Statement of Financial Condition as of March 31, 2010

The Credit Union sells loans in the secondary market. Since the last examination, the Credit Union sold 152 loans totaling \$32 million to Fannie Mae. This, in addition to the Credit Union's LTS ratio, demonstrates its willingness to reinvest in the community through its lending services.

Based on the foregoing information, the Credit Union's asset size and resources, and the credit needs of its members, the Credit Union's net loan-to-share ratio is considered more than reasonable.

Comparison of Credit Extended Inside and Outside the Assessment Area(s)

This performance criterion measures the percentage of the Credit Union's lending that benefits assessment area residents and evaluates the adequacy of such lending. The following table shows the distribution of the Credit Union's lending inside and outside of its assessment area.

Bridgewater Credit Union's 2008 and 2009 Loan Application Registers (LARs) were reviewed to determine the amount of credit extended within the Credit Union's assessment area. During this period, the Credit Union originated 442 HMDA reportable loans totaling approximately \$77,659,000. Of these loans, 330 or 74.7 percent were originated inside the Credit Union's assessment area totaling \$53,690,000 or 69.1 percent.

Refer to Table 4 for additional information regarding the Credit Union's HMDA reportable lending, by both number and dollar volume.

Table 4 - Distribution of HMDA Loans Inside and Outside of the Assessment Area										
Year	Number of Loans					Dollars in Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
2008	158	73.2	58	26.8	216	25,085	65.0	13,511	35.0	38,596
2009	172	76.1	54	23.9	226	28,605	73.2	10,458	26.8	39,063
Total	330	74.7	112	25.3	442	53,690	69.1	23,969	30.9	77,659

Source: PCI Corporation CRA Wiz, Data Source 2000 U.S. Census

As indicated in Table 4, a majority of the Credit Union's loans originated during the examination period were inside the Credit Union's assessment area. Based on the above information, the Credit Union's lending inside its assessment area is considered reasonable.

Distribution of Credit Among Borrowers of Different Income Levels

The Credit Union's HMDA reportable loans were further analyzed to determine the distribution of lending by borrower income level. The borrowers' reported incomes for 2008 and 2009 were compared to the median family incomes for the Providence/New Bedford MSA and the Boston/Quincy MSA. The income figures are based on median family income derived from data collected during the 2000 Census for the respective MSA. The income figures are adjusted annually by the Department of Housing and Urban Development to allow for factors such as inflation. The median family incomes for the Providence/New Bedford MSA for 2008 and 2009 were \$68,300 and \$72,500, respectively. The median family incomes for the Boston/Quincy MSA for 2008 and 2009 were \$79,500 and \$83,900, respectively.

Low-income is defined by the US Census Bureau as income below 50 percent of the median family income level for the Metropolitan Statistical Area (MSA). In the Providence/New Bedford MSA for 2008 and 2009, a low-income family earned \$34,149 or less and \$36,249 or less, respectively. In the Boston/Quincy MSA for 2008 and 2009, a low-income family earned \$38,449 or less and \$41,949 or less, respectively. Moderate-income is defined as income between 50 to 79 percent of the median family income. In 2008 and 2009, a moderate-income family in the Providence/New Bedford MSA earned no more than \$54,639 and \$57,999, respectively. In the Boston/Quincy MSA for 2008 and 2009, a moderate-income family earned no more than \$63,599 and \$67,119, respectively. Middle-income is defined as income between 80 and 119 percent of the median family income. Middle-income families had incomes ranging from \$54,640 to \$81,959 for 2008 and in 2009 incomes ranged from \$58,000 to \$86,999 in the Providence/New Bedford MSA. In the Boston/Quincy MSA middle-income families for 2008 had incomes ranging from \$63,600 to \$95,399 and for 2009 middle-income ranged from \$67,120 to \$100,679. Upper-income is defined as income greater than 120 percent of the median family income. Upper-income families in the Providence/New Bedford MSA earned \$81,960 or more for 2008 and for 2009 earnings were \$87,000 or more. In the Boston/Quincy MSA upper-income families earned \$95,400 or more in 2008 and in 2009, upper-income was \$100,680 or more.

The following table presents the loans originated and categorized by the applicants' reported income in relation to the median family income for the MSA in which the property is located. The following table also presents the Credit Union's HMDA reportable lending performance as well as the 2008 aggregate data (exclusive of Bridgewater Credit Union). In addition, the table also reflects the percentage of family households in each of the borrower income categories.

Table 5 - Distribution of HMDA Loans by Borrower Income								
Median Family Income Level	% Families	Aggregate Lending Data (% of #)	Credit Union 2008		Credit Union 2009		Credit Union Total	
		2008	#	%	#	%	#	%
Low	21.6	5.3	15	9.5	18	10.5	33	10.0
Moderate	18.7	19.6	39	24.7	39	22.7	78	23.6
Middle	23.7	26.1	49	31.0	53	30.8	102	30.9
Upper	36.0	32.6	55	34.8	62	36.0	117	35.5
N/A	0.0	16.4	0	0.0	0	0.0	0	0.0
Total	100.0	100.0	158	100.0	172	100.0	330	100.0

Source: CRA Wiz, Data Source 2000 U.S. Census

During the period reviewed, Bridgewater Credit Union originated 33 HMDA reportable loans in the assessment area to low-income borrowers representing 10.0 percent of total originations and 78 loans to moderate-income borrowers representing 23.6 percent.

The Credit Union's percentage of lending to low-income borrowers exceeded the aggregate's lending in 2008. The Credit Union originated 9.5 percent of its loans to low-income borrowers while the aggregate originated 5.3 percent. It is noted that the Credit Union's percentage of loans to low-income borrowers slightly increased between 2008 and 2009. While the Credit Union's lending performance to low-income borrowers is below the percentage of low-income families in the assessment area at 21.6 percent, it should be noted that 7.1 percent of all families in the assessment area are living below the poverty level. Furthermore, the high cost of housing makes homeownership even more challenging for low-income families.

The Credit Union also originated a higher percentage of loans to moderate-income borrowers in 2008 than the aggregate. The Credit Union originated 24.7 percent of its loans to moderate-income borrowers while the aggregate originated 19.6 percent. The Credit Union's performance also exceeded the percentage of families in the moderate-assessment area (18.7 percent).

The Credit Union's performance in lending to borrowers of different incomes, especially to those of low and moderate-income, reflects good performance.

Geographic Distribution

The Credit Union's lending activity within its assessment area was reviewed in order to determine the distribution of lending among the various census tracts. As mentioned previously, the Credit Union's assessment area contains 140 census tracts of which 13 are low-income, 31 are moderate-income, 78 are middle-income, 17 are upper-income and 1 is N/A.

The following table presents the Credit Union's HMDA reportable lending performance as well as the 2008 aggregate data (exclusive of Bridgewater Credit Union). In addition, the table also reflects the percentage of owner-occupied housing units in each of the census tract income categories.

During the evaluation period, Bridgewater Credit Union originated 3 HMDA reportable loans in the assessment area in low-income census tracts representing 0.9 percent of total originations and 24 loans to moderate-income census tracts representing 7.3 percent of total originations.

Table 6 - Distribution of HMDA Loans by Income Category of the Census Tract								
Census Tract Income Level	% Total Owner-Occupied Housing Units	Aggregate Lending Data (% of #)	Credit Union 2008		Credit Union 2009		Credit Union Total	
		2008	#	%	#	%	#	%
Low	2.0	1.9	0	0.0	3	1.7	3	0.9
Moderate	12.8	12.8	11	7.0	13	7.6	24	7.3
Middle	67.9	67.4	129	81.6	132	76.7	261	79.1
Upper	17.3	17.9	18	11.4	24	14.0	42	12.7
Total	100.0	100.0	158	100.0	172	100.0	330	100.0

Source: PCI Corporation CRA Wiz, 2000 U.S. Census

As shown in Table 6, the Credit Union's residential mortgage originations in 2008, indicates that no loans were originated in low-income census tracts and 11 loans or 7.0 percent were originated in moderate-income census tracts. The distribution is below the percentage of owner-occupied housing units in both low-income (2.0 percent) and moderate-income census tracts (12.8 percent).

It should be noted that given the relatively low volume of lending, that a relatively minor increase in the number of loans (for example 3 loans in the low-income Census tract) would result in performance comparable to the aggregate. Additional review of the geographic distribution of loans was conducted and there was no evidence that any area was being purposefully excluded.

While looking exclusively at the 2008 data would result in a determination of poor dispersion of loans throughout the assessment area, this is somewhat mitigated by the additional review and the positive trend for 2009.

Review of Complaints and Fair Lending Policies and Practices

Based upon the review of the Credit Union's public comment file and its performance relative to fair lending policies and procedures, no violations of the anti-discrimination laws and regulations were identified.

The Credit Union's Fair Lending Policy was reviewed to determine how this information relates to the guidelines established by Regulatory Bulletin 2.3-101, the Division's Community Reinvestment and Fair Lending Policy. A review of the Credit Union's public comment file indicated that the Credit Union received no complaints pertaining to the institution's CRA performance since the previous examination. The fair lending review was conducted in accordance with Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, no evidence of disparate treatment was noted.

Bridgewater Credit Union has a written Fair Lending Policy. Included in this policy are the Credit Union's efforts to eliminate discrimination in all aspects of lending. The Credit Union provides fair lending training to all employees at least annually along with other applicable compliance training.

The Credit Union has implemented a second review process to evaluate declined loans to determine if any compensating factors exist that may allow the Credit Union to grant the loans.

MINORITY APPLICATION FLOW

According to the 2000 U.S. Census Data, the Credit Union's assessment area contained a total population of 654,905 individuals of which 108,727, or 16.6 percent, are minorities. The assessment area's minority and ethnic population is 0.2 percent Native American, 3.1 percent Asian, 4.5 percent African American, 3.9 percent Hispanic or Latino, 0.0 percent Hawaiian/Pacific Islander and 4.9 percent other.

For 2008 and 2009, the Credit Union received 480 HMDA reportable loan applications from within its assessment area. Of these applications, 19 or 4.0 percent were received from minority applicants, of which 9 or 47.4 percent resulted in originations. For the same time period, the Credit Union received 2 HMDA reportable applications from ethnic groups of Hispanic origin within its assessment area, of which 100.0 percent resulted in originations.

The Credit Union's level of lending was compared with that of the aggregate's lending performance levels for the most recent year that data was available, the year 2008. The comparison of this data assists in deriving reasonable expectations for the rate of applications the Credit Union received from minority residential loan applicants.

Refer to the following table for information on the Credit Union's minority application flow as well as the aggregate lenders (excluding the Credit Union) in the Credit Union's assessment area.

MINORITY APPLICATION FLOW (CONTINUED)

MINORITY APPLICATION FLOW								
RACE	2008 Aggregate Data		Credit Union 2008		Credit Union 2009		Total Credit Union	
	#	%	#	%	#	%	#	%
<i>American Indian/ Alaska Native</i>	58	0.2	1	0.4	0	0.0	1	0.2
<i>Asian</i>	1,090	3.2	0	0.0	4	1.6	4	0.8
<i>Black/ African American</i>	1,996	5.8	3	1.3	5	2.1	8	1.7
<i>Hawaiian/Pac Isl.</i>	68	0.2	0	0.0	0	0.0	0	0.0
<i>2 or more Minority</i>	32	0.1	0	0.0	0	0.0	0	0.0
<i>Joint Race (White/Minority)</i>	304	0.9	4	1.7	2	0.8	6	1.3
Total Minority	3,548	10.4	8	3.4	11	4.5	19	4.0
<i>White</i>	23,693	69.1	203	85.6	232	95.5	435	90.6
<i>Race Not Available</i>	7,032	20.5	26	11.0	0	0.0	26	5.4
Total	34,273	100.0	237	100.0	243	100.0	480	100.0
ETHNICITY								
<i>Hispanic or Latino</i>	941	2.7	2	0.8	0	0.0	2	0.4
<i>Not Hispanic or Latino</i>	26,014	75.9	196	82.8	239	98.4	435	90.7
<i>Joint (Hisp/Lat /Not Hisp/Lat)</i>	258	0.8	1	0.4	4	1.6	5	1.0
<i>Ethnicity Not Available</i>	7,060	20.6	38	16.0	0	0.0	38	7.9
Total	34,273	100.0	237	100.0	243	100.0	480	100.0

Source: PCI Corporation CRA Wiz, Data Source: 2000 U.S. Census Data

The Credit Union's performance was below the 2008 aggregate's performance level for both minority and ethnicity applicants. The Credit Union received 3.4 percent of its applications from minorities while the aggregate was 10.4 percent. The Credit Union received 0.8 percent from Hispanic or Latino applicants while the aggregate received 2.7 percent.

The Credit Union's minority application flow, when compared to the aggregate's lending performance levels and the assessment area demographics, is poor for the aggregate lending and the demographics of the assessment area. However, this performance is somewhat mitigated as the relative percentages are affected by the low volume and a minor change in volume would result in a significant increase in the percentage of applications and the data for 2009 shows a positive trend.

COMMUNITY DEVELOPMENT TEST

The Community Development Test evaluates the Credit Union's community development loans, investments, and services. It is recognized that Bridgewater Credit Union's ability to be involved in community development lending is limited by restrictions imposed by Massachusetts General Laws, the National Credit Union Administration, and its by-laws. As such, no evaluation was ascribed to the Credit Union's community development lending.

Bridgewater Credit Union's community development performance demonstrates an adequate responsiveness to the community development needs of its assessment area. The Credit Union has met these community development needs through the provision of qualified donations and community development services. For purposes of this examination, the period used for the Community Development Test was August 20, 2008 through August 2, 2010.

Qualified Investments

A qualified investment for the purposes of this CRA evaluation is a lawful deposit, donation or grant that has community development as its primary purpose.

During the examination period, Bridgewater Credit Union made a total of \$22,737 in charitable donations, of which \$13,395 or 58.9 percent went to organizations that promote education, youth programs and health and human services for individuals in need. The following are examples of organizations that have received benefit from the Credit Union's efforts.

St. Bonaventure Parish Fund for the Needy – St. Bonaventure was established in 1980 to provide assistance and support by offering food and emergency assistance for housing, critical heat and utility needs, and medical and clothing necessities for families in the community of Plymouth.

Conway Golf for the Homeless – This event benefits homeless shelters (Father Bills and MainSpring in Brockton and Conway House in Middleboro) that provide prevention, emergency shelter, housing and work force development.

Father Bills and Main Spring Dishin It Up for the Homeless – The mission of this organization is to help people obtain a home by giving temporary shelter and food, finding safe and affordable housing, and providing permanent housing with supportive services.

Old Colony Hospice - Old Colony Hospice is a health care organization that provides interdisciplinary services to meet the physical, spiritual and psycho-social needs of patients with advanced diseases, and their families and loved ones, at no charge to those in need.

St. Vincent de Paul Society – The mission of this organization is to offer hope and services to the poor and suffering on a direct person-to-person basis, working to break the cycles of homelessness, substance abuse and domestic violence.

Bridgewater-Raynham Citizens Scholarship Fund - The Credit Union gives \$500 dollar scholarships to Bridgewater-Raynham High School Students based on financial needs. During the examination period the Credit Union awarded 10 scholarships.

Community Development Services

A Community Development Service has community development as its primary purpose and is generally related to the provision of financial services or technical services or assistance.

The Credit Union's staff has demonstrated its commitment to the assessment area by volunteering their time and financial expertise to numerous community-oriented organizations and programs that provide community based services. The following are a few examples of the Credit Union's participation with various organizations which have benefited the community.

South Eastern Economic Development (SEED) Corporation – SEED is a non-profit corporation certified by the United States Small Business Administration (SBA) established in 1982 to improve the economy of southeastern Massachusetts by helping small businesses get started, grow and create jobs. The Senior Lending Manager is a member of the Micro Loan Committee which provides loans up to \$35,000 to small businesses before they are ready to obtain bank financing.

Father Bills and Main Spring (FBMS) – FBMS is dedicated to ending, not managing, homelessness. This organization delivers a range of programs and services to meet the needs of each person facing homelessness whose primary areas of focus are prevention, emergency shelter, housing and work force development. The Vice President of Collections is an Advisor on a committee that is involved with financial literacy initiatives.

Signature Healthcare - This organization provides routine visits to a primary care doctor or specialized treatment in cardiology, orthopedics, surgery or cancer care to all that are in need, regardless of their ability to pay. The Vice President of Business Development is a member of the Board of Trustees and was Chairman of the Board.

Greater New Bedford Workforce Investment Board Inc. - The mission of this organization is to provide leadership and oversight for the local workforce development system by securing and allocating public and private funds to programs and initiatives that develop a skilled and educated workforce, meet the workforce needs of employers, and support economic development in Greater New Bedford. The Credit Union's Financial Registered Representative teaches financial literacy classes.

Educational Services and Seminars

During the evaluation period, Bridgewater Credit Union hosted two seminars in partnership with MassHousing. The seminars offered credit and budgeting information, lending terminology, information on how to qualify for different products, and down payment or closing cost assistance.

On May 2, 2009, the Credit Union participated in a "Homebuyers Fair" held at the Dartmouth Mall giving first-time homebuyers the tools they need to purchase a new home. Topics included: affordable housing opportunities, down-payment assistance, soft second loans, home lotteries and a ready-to-buy list, how to budget and credit, overview of the home buying process, know the players (buyer, seller, realtor, loan originator, underwriter, appraiser, home inspector and closing attorney) and successful home ownership.

On April 29, 2010 the Credit Union, in conjunction with MassHousing and Mid-Cape Home Centers, sponsored a "Realize the Dream" seminar in Plymouth. Topics included: renting versus buying, getting preapproved, making an offer, the legal aspects of purchasing a home, the mortgage process and affordable mortgage products that are available.

Other Services

Bridgewater Credit Union is a MassHousing lender. MassHousing offers affordable loan products (home purchase loans, home improvement loans, septic repair loans, get the lead out program) which allow low- and moderate-income individuals to achieve the goal of home ownership. During the examination period, the Credit Union originated 9 MassHousing loans totaling \$1,714,500.

SBA Loan Programs

The Credit Union also offers loan programs through the SBA, including the SBA 504, SBA 7A, and the SBA Low Doc programs. These programs offer financing for qualified businesses that may not be eligible for traditional bank financing. The Credit Union originated four SBA 504 loans totaling \$445,000 during the examination period.

IOLTA Accounts

Bridgewater Credit Union participates in the Interest on Lawyers' Trust Accounts (IOLTA). Interest earned on the account is utilized to help fund improvements in the administration of justice and delivery of legal services to low-income clients. The Credit Union contributed \$796 in interest for the period of January 1, 2008 to August 2, 2010.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at 75 Main Street, Bridgewater, MA 02324

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing.

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.